



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

June 4, 2009

Cynthia Amador, President & CEO
CHARO Community Development Corporation
4301 E. Valley Blvd.
Los Angeles, CA 90032

Dear Ms. Amador:

RE: FINAL MONITORING REPORT FOR CHARO SET SMALL BUSINESS OWNER (ET07-0192)

RE: Agreement Name: **CHARO SET Small Business Owner**
Agreement Number: **ET07-0192**
Term of Agreement: **05/01/07 – 04/30/09**
Type of Trainee: **Retrainee**
Agreement Amount: **\$199,872**

FINAL REPORT SUMMARY:

This Agreement was executed on November 22, 2006 and training began on May 7, 2007. The last training date posted on the ETP Online System was September 28, 2007, which allowed for the completion of the 90-day retention period within the contract term.

It took six months before training in this Agreement started. According to CHARO representatives, they did not have qualified ETP trainees when this Agreement was approved in November 2006. As a result, your staff submitted an Amendment request to change the term date to begin on May 1, 2007, which is the first training class with ETP-eligible trainees. This Amendment also created a job group which allowed training of small business owners in any industries, because the original Agreement was limited to priority industries only. This Amendment was executed on August 10, 2007.

After the Amendment was approved, Ms. Paccarelli attempted to schedule a monitoring visit with your project staff, but was unsuccessful. Two CHARO personnel with whom the Analyst had been communicating with left your organization and no one from your office can provide information regarding their replacement.

On February 28, 2009, Dolores Kendrick, former ETP NHRO Program Manager, sent a letter to find out who is overseeing this Agreement and to discuss possible obstacles you may have regarding your project .

SACRAMENTO CENTRAL OFFICE
1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE
1065 East Hillsdale Blvd, Suite 415
FOSTER CITY, CA 94404
(650) 655-6930

SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

www.etp.ca.gov
ETP (05/16/07)

On March 11, 2008, you replied to Ms. Kendrick advising her that Carmen Camacho, Vice President of CHARO, is overseeing this project. You also stated that even though hours have not been posted online, ETP sessions have been conducted and statistical updates will be filed to reflect accurate totals to date.

Upon receipt of the letter, Ms. Pacerelli tried to contact Ms. Camacho several times, but she never returned her calls. This continued for months until November 4, 2008 when ETP sent a termination notice.

On November 21, 2008, Ms. Camacho contacted ETP requesting not to terminate this Agreement. She stated that CHARO is planning a small business owner training/workshop on December 10, 2008. Ms. Pacerelli asked her to confirm that date as she would also like to conduct a monitoring visit on the same day. Ms. Camacho never called to confirm that date.

On December 23, 2008, Ms. Camacho informed ETP that the scheduled training was cancelled. She stated that CHARO has been encountering problems on ETP trainee eligibility. There were 38 individuals registered for the training/workshop, but no one qualified for the ETP program. At that time, she informed the Analyst that she would like to close this Agreement.

With the Agreement closure, Ms. Camacho was advised that CHARO had been paid \$1,582.32 which remains unearned and, therefore, it should be returned to ETP with applicable interests. However after further discussion, Ms. Pacerelli found out that six trainees met the required minimum training hours and retention. She requested Ms. Camacho to submit copies of the attendance rosters to ETP. The rosters were submitted to ETP via facsimile. The records validated the total training hours posted on the ETP Online System. A final invoice was completed with total earnings of \$1,597 which covers the total amount paid to date.

AUDIT

You will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk review. These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters.

To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the

last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

Sincerely,

Signature on file

Wally Aguilar, Program Manager
North Hollywood Regional Office

Signature on file

Margarita M. Paccarelli, Analyst
North Hollywood Regional Office

cc: David Guzman, Chief, ETP Audit & Program Operations Division (via email)
Kulbir Mayall, ETP Fiscal Manager (via email)
Carmen Camacho, CHARO (via email)
Master File
Project File

Date report mailed to Contractor 6/10/09